The option focuses on meeting the JANIS conservation targets and reserve design criteria to the extent possible while providing an annual yield of 32,000m$^3$ of large, high quality sawlogs for 20 years and at least 22,000m$^3$ per annum thereafter. For technical reasons, this option may propose some Crown land for reservation which is not available or suitable for reservation. Key aspects of the option are outlined below.

- The addition of 262,000ha to the dedicated reserve system.
- The establishment of a 350km north-south reserve from the Victorian border to south of Macquarie Pass with five links through hinterland forests to the coastal parks.
- Greater Conjola – establishment of dedicated reserve linking the escarpment from Morton Nation Park to the coast at Conjola; it reserves most of the catchments of Swan Lake and Monument Lagoon.
- Five Lakes – reservation of most of the public land in the catchments of Burrill, Tabourie, Termeil and Meroo Lakes, and reservation of the small area of public land in the catchment of Willinga Lake; establishment of an east-west link through the proposed Croobyar reserve from the escarpment to the coast.
- Greater Murramarang – reservation of most of the catchment of Durras Lake east of the Princes Highway and the expansion of Murramarang National Park; the establishment of an east-west link between the coast and the escarpment through the Buckenbowra wildlife corridor.
- Monga/Buckenbowra – reservation of part of Monga State Forest including the upper reaches of the Mongarlowe River; the reservation of the Buckenbowra wilderness area (provisionally identified).
- Greater Deua – reservation of all wilderness areas (identified and provisionally identified); reservation of the entire upper Deua catchment and the upper catchments of some of the major creeks of the Tuross River.
- Wandella-Peak Alone and Dignams Creek – reservation of wilderness (provisionally identified) and core koala habitat and the establishment of an east-west link between the escarpment and Wallaga Lake and existing coastal reserves.
- Badja – reservation of additional wilderness areas (identified and provisionally identified) which include Tiger Quoll habitat.
- Tallaganda – reservation of northern Tallaganda State Forest.
- Clyde River Catchment – reservation of the headwaters of the Clyde River; additional protection by modified logging conditions for the remainder of the Clyde catchment.
- The supply of 32,000 m$^3$ per annum of large, high quality sawlogs for 20 years and at least 22,000 m$^3$ per annum thereafter.
- A gross value of output for hardwood timber mills of $15.5m-$16.5m.
- Direct employment within the hardwood timber industry of 176-181 people.
- A decrease of $4.4m to the region’s economy due to flow-on effects.$^1$

**IMPLICATIONS**

**Wood supply implications**

The main wood supply implications of this option are:

- the species composition of the large high quality sawlog supply for the important commercial species in the 0-20 year period is 49% Spotted Gum, 8% Brown Barrel, 13% Blackbutt and 3% Yellow Stringybark;
- in the 0-20 year period, the yield of high quality large sawlog from the net harvest area is 0.54 m$^3$/ha/yr, an 8% reduction from the yield produced by the net harvest area in the current State Forest tenure; and
- an area of 16,574ha (55%) of the silviculturally treated forest$^2$ on the existing State forest is reserved and excluded from timber production.

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$^1$ This figure includes the estimated changes associated with the direct impacts in the timber industry at this level of wood supply.

$^2$ Silviculturally treated areas of State forest are areas in which significant silvicultural work such as timber stand improvement and forest regeneration treatments (ringbarking, culling, tractor disturbance, sowing, plantation) has been carried out to enhance sawlog productive capacity. The resultant areas are characterised by mature to young stands which are relatively even-aged, have a low level of tree defect and are growing vigorously due to limited competition from larger trees that are not of high sawlog quality. They are stands that carry or have the potential to carry high volumes of high quality sawlog.
The modelling of the annual yields of high quality large sawlogs from this option (using FRAMES) has not allowed for the constraints or effects of the modified harvesting practices that would apply in the Catchment Management Area. The Catchment Management Area is 41% (49,000 hectares) of the gross area of State forest remaining outside the area proposed to be reserved by the option. Any reduction in harvesting intensity or silvicultural practices could reduce the timber volumes and the rate of tree growth in the longer term.

Environment and heritage implications

The tables included in the information kit provide detailed information on environment and heritage values for this option. In summary, this option:

- meets the achievable targets available on public land in dedicated reserves for 78 forest ecosystems (80% of the targets) and 41 old growth forest ecosystems (73% of the targets). It meets the achievable targets available on public land in dedicated reserves for 93 priority fauna species (79% of the targets) and for 72 priority flora species (84% of the targets); and

- reserves 89.9% of NWI>=12 wilderness in the South Coast sub-region. Areas provisionally identified as wilderness will be considered for identification under the NSW Wilderness Act 1987. Identified wilderness may be declared under the Act and added to existing wilderness in the sub-region following a separate wilderness consultation process. All areas of provisionally identified wilderness and identified on public land are reserved in this option.

Key natural national estate outcomes are enhanced reservation of:

- all existing natural national estate places, especially the Mongarlowe and Buckenbowra Rivers National Estate Place through reservation of Buckenbowra State Forest and, in the Murramarang area, Benandarah and Kioloa State Forests;

- national estate values including successional stages, national estate flora and fauna values, and natural landscape values through the reserve additions such as a number of coastal–escarpment links and a link between Deua and Budawang National Parks and additions in Wandella, Bodalla, Wingello, Conjola, Yadboro and Tallanganda State Forests and the Upper Deua region of Dampier State Forest; and

- Crown land in the Hawkesbury sandstone region.

While this option does not recognise the contribution made by informal reserves to the achievement of JANIS conservation targets, the majority of the informal reserve areas designated on State forest are areas in which timber harvesting is physically or economically impracticable, or areas in which prescriptive constraints or requirements are expected to make timber harvesting non-economic or impracticable.

Economic and social implications

The supply of 32,000m$^3$ of high quality large sawlogs per annum for 20 years would have the following implications for the timber industry and communities in the South Coast sub-region.

- Direct hardwood timber milling employment would decrease in the short term from 164 people in 1998/99 to between 140 and 145 people. Employment in the harvesting and haulage sector would fall by around six people to a total of 36. This represents a total fall in direct employment of between 25 and 30 jobs.

- The gross value of output from the hardwood industry (including timber processed from private property) would total between $15.5m and $16.5m, a decrease of approximately $1.5m-$2.5m compared to 1998/99.

- At this level of wood supply the viability of one mill would come under pressure. Other mills would operate at below their current production levels. Harvesting and haulage activity would also be below current levels.

- As a result of flow-on effects associated with timber industry activity on the South Coast, employment in the sub-region would decrease by approximately 48 people and the total value of gross output for the sub-region would be $3,327.6m, a decrease of $4.4m.

- The towns of Milton/Ulladulla and Wandandian (with unemployment rates of 16% and 12% respectively), would be vulnerable to changes in wood supply particularly in light of the low industry diversity, declining infrastructure base and high unemployment. Narooma in particular is assessed as having a high degree of vulnerability to change and a low level of community resilience. The impact on the community would vary consistent with the supply impacts on individual mills.

- Field work and desktop analysis suggest individual and family impacts associated with job losses as well as, in the case of Narooma, implications for service provision should displaced workers leave the township. The flow-on effect of reduced community expenditure would be felt in economically linked communities. Changes in Batemans Bay, for example, would indirectly affect the economies of Narooma and Moruya.